

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
COLLATERAL BOND - TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES
INSTRUCTION SHEET

- A. When must I complete and file this bond?** The provisions of 26 U.S.C. Chapter 52 requires a bond for persons who conduct business as a manufacturer of tobacco products or as a proprietor of an export warehouse. This form shows that you have deposited government obligations of the United States and are responsible for the terms and conditions of this bond. As an alternative, you may use a corporate surety for such bond. See TTB F 5220.5, Corporate Surety.
- B. Where can I get assistance for this form?** Contact a specialist in the Tobacco Unit, National Revenue Center by phone at 1-877-882-3277 or 1-513-684-7151, fax at 1-513-684-2251 or e-mail to ttbtobacco@ttb.treas.gov or ttbquestions@ttb.treas.gov.
- C. How do I make corrections to the bond if I make a mistake?** If you make any alteration or erasure to this bond, you must identify, initial and date the correction. If TTB makes any correction to this bond, you and TTB must consent, in writing, to the correction with one exception. The exception is if you do not identify the TTB permit number(s) in item 4, TTB may enter the permit number(s).
- D. Must I submit two copies with original signatures?** You must file two copies with original signatures.
- E. How do I prepare and file this bond?** We prefer that you submit this bond on a single sheet. However, if you are unable, put your employer identification number and TTB permit number on any additional sheets. Prepare at least two identical bonds with original signatures. Send the forms to the Tobacco Unit, National Revenue Center, 550 Main St., Cincinnati, OH 45202.
- F. Will TTB return this bond to me?** If TTB approves this bond, an original is returned to you.

G. Item 1. What is my business' legal name?

If your business is a:	Your legal name is:
A sole proprietorship	Your full name
A partnership	The name of each partner, or the name of the partnership as filed with the State or local government
A corporation, association, limited liability company or other business	The name as stated on your documents filed with the State or local government

- H. Item 2. What is an Employer Identification Number (EIN)?** This is the nine-digit number that the Internal Revenue Service assigns to your business. If you do not have an EIN, you must obtain one from the Internal Revenue Service (IRS). Use an IRS Form SS-4 and follow instructions on the form to apply for an EIN.

- I. Item 5. What is my TTB permit number for this business?** DO NOT complete this item if you do not know the TTB permit number assigned to your business as a manufacturer of tobacco products or export warehouse proprietor. Only a manufacturer of tobacco products who has more than one factory may enter more than one, TTB permit number.

- J. Item 6. What type of collateral may I submit?** Cash in the form of a certified check, bank draft, United States post office money order, or Treasury Notes and Treasury Bonds or Government securities which are transferable and are guaranteed as to both principal and interest by the United States. See 31 CFR Part 225. Please note that certain U.S. savings bonds, such as Series EE bonds, are not acceptable because they may be redeemed within a year or less after its issue. Also, TTB does not accept certificates of deposit issued by a non-Government bank or financial institution.

- K. Item 7. Where do I get a CUSIP number?** If your collateral is with a Federal Reserve Bank, the Federal Reserve Bank provides the CUSIP number and other information.

L. Item 8. How do I determine the bond amount?

Bond for:	Dollar (\$) amount:
One factory of a manufacturer of tobacco products	During any calendar month the total amount of tax liability on all tobacco products manufactured in the factory, received in bond from other factories and from export warehouses, and released to the factory in bond from customs custody. Minimum - \$1,000. Maximum - \$250,000 to manufacture receive in bond cigarettes or any combination of tobacco products in bond; OR \$150,000 to manufacture receive in bond one tobacco product other than cigarettes (<i>cigars, smokeless tobacco, pipe tobacco or roll-your-own tobacco</i>) .
More than one factory of a manufacturer of tobacco products	1) Determine amount for each factory as described above, AND 2) If the total amount for the factories is: <ul style="list-style-type: none">• \$250,000 or less, then the total amount of the bonds.• More than \$250,000 but not more than \$500,000, then \$250,000 plus the 50 percent of the total amount exceeding \$250,000.• More than \$500,000, then \$375,000 plus 25 percent of the total amount exceeding \$500,000, but the total amount not to exceed \$500,000.
Proprietor of export warehouse	Estimate amount of tax that at any time may constitute a charge against the bond. Include the amount of tax on tobacco products, and cigarette papers and tubes at your export warehouse received without payment of tax. Also, include the amount of tax on tobacco products, and cigarette papers and tubes for which satisfactory evidence of exportation has not been received by TTB. Minimum - \$1,000 Maximum - 200,000

M. Item 10. What type of bond do I file?

- You file an **original** bond when you start or acquire a business to operate a tobacco products factory or an export warehouse.
- You file a **strengthening** bond to add more coverage to your existing bond.
- You file a **superseding** bond to replace your previous bond or to change the collateral filed with your bond.

N. Items 11b and 11c.

- a. How do I sign this bond?

If your business is:	Signature:
A sole proprietorship	a. Your name; OR b. An individual for whom you have filed TTB F 5000.8, Power of Attorney, that grants the authority to sign this bond.
A partnership	a. Each partner; OR b. The partner who has been given the authority to sign by the articles of partnership or similar agreement of all partners that you have filed with your application for an TTB permit; OR c. An individual for whom TTB F 5000.8, Power of Attorney has been filed, that grants the authority to sign this bond.
A corporation, association, limited liability company or other business	a. An officer who has been given the authority to sign by the business documents that you have filed with your TTB application for an TTB permit; OR b. An individual for whom you have filed TTB F 5000.8, Power of Attorney, that grants the authority to sign this bond.

- b. Do I need a seal? If your business is a corporation, association or other business, you may have a seal. A seal is adopted and used by a business for authenticating its corporate acts and executing legal instruments.
- c. When do I need two witnesses and what must they do? If your business has no seal, the witnesses must sign and testify to the fact that you signed the bond in their presence.

Paperwork Reduction Act Notice

This request is in accordance with The Paperwork Reduction Act of 1995. We use this information to determine whether you are qualified to operate as a manufacturer of tobacco products or export warehouse proprietor. We must identify you as the manufacturer or proprietor and the penal sum of the bond. The information we request is required for you to obtain a benefit and is mandatory by law (26 U.S.C. 5711).

We estimate the average burden associated with this collection to be 1 hour and 40 minutes per manufacturer or proprietor, depending on individual circumstances. Address your comments concerning the accuracy of this burden estimate and suggestions to reduce this burden to: Reports Management Officer, Regulations and Procedures Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, DC 20220.

An agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Privacy Act Information

We provide this information to comply with Section 3 of the Privacy Act of 1974 (5 U.S.C. 552a(e)(3)):

- 1. What is TTB's authority to ask for this information?** We require this information under the authority of 26 U.S.C. 5711. You must disclose this information to obtain authority to conduct manufacturing or export warehousing operations.
- 2. What is the purpose for this information collection?** You provide this information to give us a bond for your compliance with requirements to operate a factory or warehouse and to identify your collateral for a manufacturer of tobacco products' or an export warehouse proprietor's bond.
- 3. How does TTB routinely use this information?** We use this information to make determinations for the purposes described in paragraph 2. Also, we may disclose the information to other Federal, State, foreign and local law enforcement and regulatory agency personnel to verify information on the form where such disclosure is not prohibited by law. We may disclose the information to the Justice Department if it appears that the furnishing of false information may constitute a violation of Federal law. Finally, we may disclose the information to members of the public in order to verify information on the form where such disclosure is not prohibited by law.
- 4. What is the effect of my not supplying the information TTB requests?** If you fail to supply complete information, then we will delay processing and may disapprove your bond.

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
COLLATERAL BOND - TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES

(Please read instructions.)

1. My business' legal name (read instruction G) is: _____	2. My Employee Identification Number (read instruction H) is: <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="font-size: 20px; margin: 0 5px;">—</div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> </div>
3. My contact for this bond is: Individual's Name: _____ Address: _____ Telephone Number: _____ Other: _____	4. My business for this bond is (check one box only): <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;"> <input type="checkbox"/> <input type="checkbox"/> </div> <div> Manufacturer of Tobacco Products Export Warehouse Proprietor </div> </div>
5. My TTB Permit Number (read instruction I) is: _____	
6. The collateral (read instruction J) for this bond is (check one box): <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;"> <input type="checkbox"/> <input type="checkbox"/> </div> <div> Cash (certified check, bank draft or money order) Treasury Note(s) or bond(s) With </div> </div>	
6a. Maturity Date _____ 6b. Par Value _____ 6c. Interest Rate _____	
7. If the collateral is not attached to this bond, I deposited it at a Federal Reserve Bank located at _____ (city and State) with the CUSIP No. (read instruction K) _____.	
8. The amount of this bond (read instruction L) is: \$ _____	9. The effective date of this bond is: _____
10. This bond is (check one and read instruction M): <div style="display: flex; justify-content: space-around; align-items: center;"> <div><input type="checkbox"/> Original</div> <div><input type="checkbox"/> Strengthening</div> <div><input type="checkbox"/> Superseding</div> </div>	
11. I agree to all terms and conditions of the bond as listed on the back of this form (read instruction N).	
11a. We witness our hands and seals this _____ day of _____, _____. Signed, sealed, and delivered in the presence of-	
11b. Signature For my business _____	
11c. Printed Name and Title _____	
11d. Seal or signature of two witnesses _____ _____ _____ _____	11e. Printed names of two witnesses _____ _____ _____ _____

TTB USE ONLY

12. On behalf of the United States of America, I approve and accept this bond.

12a. _____
Authorized TTB Officer's Signature and Title

12b. _____
Date Approved

Terms And Conditions Of This Bond

1. I have identified the premises in item 5 of this bond where I am engaged, or intend to engage, in a business as a manufacturer or export warehouse proprietor. As a manufacturer of tobacco products or export warehouse proprietor, I promise to pay the amount of this bond in lawful money of the United States to the United States of America. This bond firmly binds me individually, my heirs, executors, administrators, successors, and assigns.
2. Effectiveness of this bond: This bond is effective only if TTB agrees to accept this bond and is effective without notice to me. The effective date of this bond is the date stated in item 9 of this bond; however, if no date is listed in on the front of the bond, the date of my execution in item 11a will be the effective date.
3. Liability: Until I pay the taxes, including penalties and interest, for which I become liable to the United States under Chapter 52 or Section 7652 of Title 26 of the United States Code and promulgating regulations, this bond remains in full force and effect for the business identified by items 4 and 5 of this form. Furthermore, I agree that an installment agreement to pay such taxes between the United States and myself does not affect the United States' ability to pursue remedies against me under this bond.
4. Compliance: If I do not comply faithfully in all respects with such laws and regulations identified in the above paragraph, this bond remains in full force and effect for the business identified in items 4 and 5 of this form.
5. Changes while bond is in effect: I agree that this bond extends and applies to any change that requires a new or amended permit as a manufacturer of tobacco products or export warehouse proprietor.
6. United States action: If I breach any condition of this bond, the United States may pursue remedies against the collateral of the bond. I waive any right or privilege that the United States must first start an action or otherwise exhaust its remedies against me before moving against the collateral.
7. No interest: If I deposit cash as the collateral for this bond, I will not receive any interest on that cash.
8. Authorization: TTB may use this bond's collateral to satisfy any of my liabilities under this bond. This authorization is irrevocable.